

CITY of BEAVERTON

PRESS RELEASE

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FOR IMMEDIATE RELEASE

CITY OF BEAVERTON RECOUPS NEARLY \$1.5 MILLION IN HEATING AND COOLING PAYMENTS

Beaverton, Oregon (July 8, 2009) – Mayor Denny Doyle announced today that the City of Beaverton has settled the dispute over outstanding heating and cooling payments with The Round Owners Association and has collected \$1,466,364.

“By bringing together all the parties involved and taking a firm stance, we were able to finally resolve this longstanding dispute and move ahead,” said Mayor Denny Doyle. “I’m committed to taking a let’s-make-it-happen approach to create positive change and a brighter future for Beaverton.”

The City of Beaverton’s Central Plant is currently the provider of heating and cooling services for buildings in The Round, a mixed-use development of condominiums, retail stores, offices and a parking garage along the MAX light-rail line west of SW Watson Ave. The City of Beaverton gave notice of non-payment on a number of occasions and ultimately filed suit in July 2008. The suit was withdrawn to negotiate toward a settlement of \$834,000 in November 2008 but was re-filed by the City after negotiations came to an impasse. The agreement to provide heating and cooling services has been amended to allow the City to more readily turn off services, if needed, to avoid future legal disputes.

About the Beaverton Central Plant

Originally purchased as a long-term investment for future development and sustainability in the City of Beaverton, the Beaverton Central plant is a high-efficiency heating and cooling system that has the capacity to deliver cost-effective space conditioning and domestic hot water services to more than one million square feet of development. As a result of operating efficiencies, the Beaverton Central Plant currently reduces CO2 emissions by an estimated 900 tons annually, saving energy equal to the annual average electrical use of more than 160 homes.

The Beaverton Central Plant is a sophisticated district heating cooling system which allows it to operate at only a fraction of its capacity while still covering its operating expenses. It currently operates at a break-even cost to the City of Beaverton. Since the City of Beaverton acquired the plant in 2004, capital improvement investments have been made to expand capacity for future development, improve plant operating efficiencies and meet customer service needs. Funding for these capital improvements has come primarily from the State of Oregon’s Small Energy Loan Program.

The Beaverton Central Plant was honored as one of the Top 50 Most Innovative Government Programs in the Country by Harvard University’s John F. Kennedy School of Government in 2007. “The programs represent the very best of public management,” said Gowher Rizivi, director of the Roy and Lila Ash Institute for Democratic Governance and Innovation at Harvard. In response to strong interest from local and national energy experts, engineering firms, national and international government officials and universities, the City of Beaverton frequently provides tours and technical information on the Beaverton Central Plant.

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